

Code of Ethics

BDO Israel

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1. CEO and Chairman's Message

Dear employees, we are proud to present the firm's ethical code. This code represents our identity and uniqueness as firm employees and expresses how we strive to fulfill our mission: to act for the prosperity and well-being of people, communities, and businesses.

Behind every action we take, whether internally within the firm, with clients, suppliers, or communities, there is ultimately a person. The firm's position as a leading entity in the economy obliges us to place the well-being and trust of every person at the center and act according to our core values: humanity and interpersonal relationships, care and consideration for others, professionalism, integrity, fairness and responsibility, moderation, tolerance, and respect. The code clarifies how these commitments and values are reflected in our behavior during daily work at the firm. It is intended to serve as a "compass" for employees and managers at all levels, guiding appropriate behavior when facing various ethical dilemmas. This code reflects the value base and defines the expectations and behaviors we all adopt and strive to maintain among ourselves and towards clients and other stakeholders. We believe that the values expressed in this code reflect the DNA and spirit of the organization, from which the firm's uniqueness and strength grow. Our strength lies in our cohesion, and our ethical and moral commitment, as expressed in the ethical code, is a central pillar in maintaining and forming this cohesion. This is an opportunity to thank all employees and express full confidence that alongside the pursuit of business leadership and prosperity, we will act out of moral and ethical commitment and continue to uphold the standards that are worth maintaining.

It's understood that the Code of Ethics cannot - and does not aim to - cover every possible rule of conduct. Still, the principles and values it sets out are meant to guide sound decision-making, even in situations that aren't explicitly addressed.

The ethical guidelines are an integral part of the company's employment terms. Once adopted by the company, they become binding for all relevant employees.

The Code of Ethics does not replace the laws, regulations, or professional standards that apply to the company and its employees. Every employee is expected to act as a law-abiding citizen. Adhering to these legal and regulatory requirements is a core part of the Code.

The same applies to the company's internal policies and enforcement procedures, which are also considered part of the ethical framework. Every employee should recognize that any action taken in the course of their work that violates applicable laws or regulations could potentially expose them, the company, and other employees or officers to liability.

2. Vision Concept

To lead the accounting and business advisory market in Israel, providing added value, excellence, professionalism, and innovation.

3. Organizational DNA

We treat each other as partners and friends in the journey and work, operating as a winning team while maintaining interpersonal relationships at eye level. We are committed to proper and sustainable business conduct and considering the client's best interest, promoting inclusive growth and integrating employees from all sectors of Israeli society. We believe this conduct will benefit society and the community as a whole. We take personal and managerial responsibility for our decisions and their outcomes. We maintain a culture of consultation alongside managerial and intellectual flexibility, initiative, dynamic innovation, and openness. We believe in healthy competition that promotes us, considering the firm's overall good in the short and long term.

We strive to create a sense of success and meaning for every employee, developing and nurturing our human capital, which is our most valuable resource and the key to our success. We aim to provide all stakeholders of the firm with interpersonal, human, and friendly relationships.

4. Areas and Behavioral Rules

Better Together

Our Work Environment

We promote an inclusive, positive, and human work environment based on mutual respect, care, productive dialogue, trust, and transparency. Therefore, we:

- ✓ Show zero tolerance for any form of harassment or bullying between employees, between managers and employees, or from any other stakeholder of the firm.
- ✓ Use pleasant and courteous language and open communication, respecting the opinions of managers and colleagues, maintaining respectful dialogue and etiquette, both routinely and during disagreements. We also avoid any form of threat or language that could be interpreted as such, and refrain from physical or verbal violence in the workplace.
- ✓ Show alertness to employees and colleagues in difficulty or distress and assist them as much as possible.

Promoting Employment Diversity

Our geographical spread allows us to employ workers from all over the country and from all sectors of Israeli society, including people with disabilities. Therefore, we:

- ✓ Employ, make decisions, and promote employees based on professional and relevant considerations only, regardless of aspects such as religion, gender, political views, sexual orientation, or physical disability.
- ✓ Make adjustments to recruitment and onboarding processes and the work environment when necessary, and where possible, due to the cultural, religious, or physical needs of our employees.
- ✓ Respect and celebrate our differences and jointly mark holidays and occasions of different religions and cultures.
- ✓ Strive to create a sense of belonging for all employees, leveraging the value inherent in the opinions, ways of thinking, and perspectives that each employee brings.

Fostering Professionalism and Excellence

Our relationships with all stakeholders are based on trust, transparency, and personal and professional responsibility. Maintaining professionalism, accuracy, and technological leadership is essential to our business success and our ability to continue providing a qualitative advantage to our clients. Therefore, we:

- ✓ Work to instill a culture of excellence throughout the company and encourage our employees to learn, improve, and develop professionally and personally, through continuous updating and preserving organizational knowledge.
- ✓ Strive to present every employee with the “big picture” and create a sense of meaning for them.
- ✓ Consider the overall good of the firm alongside the good of the employee, allowing internal mobility for employees who wish to do so.

Environmental Protection

Environmental protection is a moral obligation for us alongside a business justification, as more sustainable environmental conduct serves as a catalyst for innovation and contributes to financial savings. We strive for resource efficiency and reducing our carbon footprint in several areas, both in our daily operations within the company, in developing products for clients, and in raising awareness of the importance of environmental protection among employees. Therefore, we:



- ✓ Commit to carbon footprint reduction targets - Net Zero by 2050 - and promote reduction steps and efficient and responsible use of resources such as electricity, fuel, water, and paper.
- ✓ Promote initiatives for resource efficiency and environmental conduct of the firm.

Giving Back to the Community

We see ourselves as an integral part of the community. Therefore, alongside business leadership, we work to create a positive impact and promote welfare in the community in various fields, mainly in financial education, which aligns with our business core. Community activity is carried out through creating and nurturing significant and long-term partnerships with social organizations, expressed in financial donations, sponsorships, and volunteer activities. Therefore, we:

- ✓ Encourage our employees to volunteer during work hours as long as the volunteer activity is within reasonable limits, according to guidelines, and does not harm professional performance and job requirements.
- ✓ Strive to expand the circles of volunteering and giving among the communities near the firm's offices, and even enlist our business partners and clients to promote our social goals where possible.
- ✓ Avoid making financial donations or "in-kind" donations, directly or indirectly, on behalf of the company without the approval of the appropriate management levels in the company.

Zero Tolerance for Retaliation Against Employees, Officers, or Managers for Good-Faith Reports or Complaints

The company maintains a strict zero-tolerance policy toward any form of retaliation against employees, officers, or managers who report or file complaints in good faith regarding violations of this Code or any other illegal or unethical conduct. No form of retribution or "settling of scores" will be tolerated on behalf of the company or its employees, officers, or managers in response to such reports.

Acting with Integrity and Fairness

We believe that the right way to achieve organizational resilience, leadership, and business prosperity over time is to act according to the values of integrity and fairness. These values are our fundamental values, our moral obligation, and they guide us in every action in our daily work within the company and in our relationships with various stakeholders. The ethical code addresses the criminal threshold of various behaviors,

but its main purpose is to serve as a moral compass, beyond the basic expectation of maintaining legal and non-criminal conduct.

Independence

Independence and non-dependence are mandatory in providing our services. This ensures objectivity, reliability, and credibility in financial reports and our various outputs, prevents fraud and failures, and maintains public and investor trust in the business and financial sector. We at the firm ensure to maintain independence and professional independence through orderly procedures and quality control processes. Therefore, we:

- ✓ Check through our professionals every engagement to prevent the risk of involvement in services that may harm our professional independence, including through examination processes to identify the risk of independence, conducting comprehensive and broad training on the subject, refreshing independence approvals once a year, and consulting with firm managers.
- ✓ Hold periodic meetings with relevant regulatory and professional bodies, such as the Securities Authority and the Institute of Certified Public Accountants in Israel, to advise and consult on independence issues.

Preventing Bribery and Corruption

Bribery and corruption can cause significant damage and are completely contrary to the way we do business. We are committed to conducting our business transparently and fairly and show “zero tolerance” for these improper practices. The quality of our work, the accuracy, and the professional service we provide are our source of pride and constitute our exclusive competitive advantage, with which we compete in the free market. Any entity involved in corruption is expected to face severe disciplinary measures, dismissal, and even criminal prosecution. Therefore, we:

- ✓ Will not cooperate with a client or assist in legitimizing any intentional fraud or deception to achieve unfair or illegal profit, including false financial reporting, data manipulation, money laundering activities, etc. In any case of suspicion of such activity, we will report immediately to our superiors.
- ✓ Avoid using third parties to perform tasks contrary to our procedures and moral standards.
- ✓ Ensure to obtain supervisor approval before accepting a gift or personal benefit, even if it is a symbolic gift. Additionally, we do not offer, promise, or give gifts or benefits exceeding the value set in the company’s procedure, from a client, supplier, or any entity with whom we have business relations.

Prevention of Conflict-of-Interest

A conflict of interest is a situation where, directly or indirectly, the interest of an employee or their family member constitutes or may constitute a conflict with the company's interest. Conflicts of interest are strictly prohibited according to the firm's policy, and we strive to prevent any actual or apparent conflicts of interest, aiming to minimize any impact on proper judgment in this context. Since reporting a potential conflict of interest can sometimes resolve conflicting interests, we encourage our employees to consult and report transparently in relevant cases. Therefore, we:

- ✓ Act responsibly and with commitment, prioritizing the company's best interests.
- ✓ Maintain objectivity and independence, not allowing any personal considerations or prior acquaintance to affect our professional and impartial judgment.
- ✓ Avoid exposure to information that may have personal value for us, which could lead to a conflict of interest.
- ✓ Obtain approval from a supervisor if we are employed in an additional job alongside our work at the firm. In any case, we will not use company time, resources, or equipment for the benefit of another company.
- ✓ Immediately report to the ethics supervisor and relevant parties if we become aware of any action or relationship that could lead to a conflict of interest.

Reporting Accuracy

We are aware that the general public relies on the reports we audit and views them as documents that accurately and faithfully reflect the company's financial condition. Therefore, the professional level, accuracy, and reliability of our work have far-reaching implications for the decision-making of investors and other parties. Therefore, we:

- ✓ Comply with all relevant laws and regulations and avoid any actions that could undermine our credibility.
- ✓ Commit to providing accurate, complete, and reliable information to clients, regulatory authorities, and the general public.
- ✓ Maintain professional integrity and keep accurate and complete records of our work using the firm's accepted methods. Under no circumstances will we falsify data or retroactively alter information we have provided.
- ✓ Ensure accurate reporting of work hours and expenses, both internally and when billing our clients.

Confidentiality and Privacy

Proprietary information, including work methodologies, financial, commercial, marketing information, and more, constitutes one of our most important assets and

significantly contributes to our success. Employees' duty to protect information includes safeguarding this information as well as protecting proprietary information of clients that they are exposed to through joint work. Any information related to the company, its employees, and its activities that is not publicly disclosed is considered business, confidential, and classified information. Therefore, it is strictly forbidden to use, distribute, or transfer internal information unless specific approval has been obtained from authorized parties. This obligation applies equally when handling information in the course of providing services on behalf of the company.

Additionally, we have full responsibility to protect the privacy of our employees and clients and to safeguard the personal information in our possession, including medical information, salary data, personal and family status details, employee evaluations, and more. Access to personal information is only allowed to authorized personnel and is permitted for legitimate purposes only. Using the information for any other purpose constitutes a violation of company policy and may also be a violation of the law. Therefore, we:

- ✓ Operate in accordance with applicable laws and the firm's information security procedures, which include processes for prevention, detection, and response to information security incidents.
- ✓ Fully protect information we are exposed to in the course of our work with managers, colleagues, clients, or any other stakeholder of the company, and disclose relevant information only if there is a business justification.
- ✓ Avoid using inside information of clients that we are exposed to during our work for trading in shares, giving advice to third parties, or for any other purpose.
- ✓ Exercise discretion when discussing company matters or client matters in public places.
- ✓ Use company computers securely and appropriately, according to company policies, and avoid leaving documents, electronic media, or any other means containing information about the firm and its clients in public places.
- ✓ Inform our supervisor in case of personal issues that may affect our work, making sure that the information will not leak to irrelevant parties, be used against us, or be misused.

Proper Use of Company Assets

Our tangible assets are a crucial component of our business continuity and success, and we are committed to using them reasonably for our professional and business needs only. Theft, carelessness, or waste have a direct impact on our profitability, and therefore we take various measures to raise employee awareness of

economical and proper use of equipment. The use of firm assets for private needs will only be allowed if it is done reasonably and with prior approval. The use of the company's computer networks and communication channels for personal purposes should be done appropriately and minimally without interfering with business activities. Therefore, we:

- ✓ Use company equipment and property for professional and business needs and ensure responsible, economical, careful, and efficient use.
- ✓ Avoid taking equipment or property out of the firm's premises unless for business purposes.
- ✓ Act responsibly and carefully when visiting clients and completely avoid damaging or stealing equipment and property.
- ✓ Use client equipment only for work purposes and within the business engagement framework.

Use of Social Networks

We are aware that the use of social networks is part of daily life and meets various personal and family needs. Social networks provide a convenient platform and opportunity to share information, ideas, and views on all aspects of life. However, when using them, we must separate our identity as firm employees representing it from our identity as private individuals. We encourage employees to exercise caution when using social media and work to raise awareness of the cyber risks posed by the virtual environment today. Therefore, we:

- ✓ Ensure that our personal opinions are never interpreted as the firm's official positions.
- ✓ Use only our private email address and not the company's email address when using social media.
- ✓ Are aware that we represent the company at all times, even when we do not identify as such. Therefore, we will consider our activities on social networks carefully and always maintain clean and respectful language, a non-inflammatory style, moderation, and patience.
- ✓ Avoid tagging ourselves or other employees in photos containing the company logo or any other sign that may link the photographed to the company.
- ✓ Avoid defaming clients, competitors, or any other stakeholder on social networks.

Political Activity

We respect everyone's right to participate in political activity according to their free choice. However, as a business organization whose clients include government entities, our policy is to completely avoid political activity on behalf of the company, as well as political donations or donations related to politics, even if requested by a client or a third party with whom we have business relations. Employees wishing to participate in political activity should do so only in their free time without interfering with their work and performance, and without linking the firm to the activity. Therefore, we:

- ✓ Avoid using company time and resources for our political activities.
- ✓ Separate our political activities from our role in the company and conduct them only in our free time and not funded by the firm.
- ✓ Avoid disseminating information through the company's internal communication channels, including virtual team groups, to recruit employees to support a political candidate or cause.
- ✓ Avoid disseminating politically oriented information to enlist clients or any other stakeholder of the firm for a political cause.

Conduct with Clients

We strive for transparency, honesty, and fairness in all our business dealings, while providing our clients with all the necessary business services they require. We ensure that every client receives respectful treatment, regardless of their background, beliefs, or status. Any form of discrimination is strictly prohibited, and our goal is to build trust and maintain long-term relationships with our clients, based on personal connection and mutual respect, professionalism, and ethical conduct.

Conduct Towards Competitors

We treat our competitors with respect and compete fairly, in accordance with regulatory and legal requirements, without violating antitrust laws, and without exploiting our size and status in a way that would harm free competition. We avoid obtaining information about our competitors through illegal or unfair means, including fraud, theft, or misrepresentation.

Prohibition on Exploiting Business Opportunities and Competing with the Company

Employees must refrain from any action that involves exploiting a business opportunity that rightfully belongs to the company or engaging in any activity that may compete with the company. Information obtained through one's role at the



company must be used solely for the purposes for which it was provided, and not for personal gain or the benefit of any third party.

In dealings with third parties who have business relationships with the company, employees are expected to act in the best interest of the company, without any intent to leverage information, relationships, or business opportunities for personal advantage.

Additionally, employees must not use the company's reputation or assets - including trade secrets, patents, trademarks, business software, marketing plans, databases, and similar resources - for personal purposes.

5. Mechanisms for Reporting

If there is a concern about a violation of the conduct rules outlined in this ethical code, or when encountering an ethical dilemma, one should contact their direct supervisor or a representative in Human Resources. In cases of sexual harassment, one can contact the person responsible for preventing sexual harassment, either openly or anonymously.